



**Testimony of David Sutherland – Director of Government Relations
Before the Appropriations Committee – March 11, 2010**

In Opposition to Diversion of Funds from the Community Investment Act

On behalf of The Nature Conservancy, I would like to first of all express our deep appreciation to this committee for the support it has demonstrated for the Community Investment Act (CIA), and secondly express our strong opposition to Governor Rell's proposal to divert funds from the CIA. The CIA, established by the General Assembly in 2005, uses a surcharge on real estate document recording fees to generate funds that are split between four types of state programs: 1) affordable housing initiatives at the Connecticut Housing Finance Authority, 2) the Department of Agriculture's Farmland Preservation programs, 3) historic preservation programs at the Commission on Culture and Tourism, and 4) the DEP's Open Space Matching Grants program. Last year, in a widely praised action, the General Assembly and Governor Rell passed legislation to expand the CIA to provide assistance to dairy farmers for two years.

These programs create on-the-ground jobs and the type of communities that attract businesses and residents. In the past three years, the CIA has become a critical component of the state's efforts to protect the resources that are essential to the health, vitality, and economic well-being of our communities. It has funded over 355 projects in 137 towns, which have provided matching funds for all of the projects. Our latest figures indicate that as of last May, communities have provided over \$76 million to match the \$36 million the CIA has provided. The CIA also funds at least 14 staff positions at the state agencies to administer these programs.

Twenty four of our thirty two Distressed and Targeted Investment municipalities have already received grants, many multiple grants, from the CIA in just the first three years of the program.

The CIA is not funded by taxes, but by fees that property owners pay with the understanding that the revenues generated by it go towards protecting those crucial resources that are most often affected by real estate activity.

Connecticut has made progress on open space conservation in the past decade, but we still rank far behind our neighboring states in the amount of state-owned parks and forests we provide for our citizens. We've just started to make progress in slowing the fastest loss of farmland in the nation. The downturn in the real estate market will give our communities important opportunities to protect prime parkland and farmland at favorable prices, but they need help to pursue these projects.

Once a premier open space parcel or tract of farmland is converted to other uses, it is lost forever for public use or agriculture. We must continue to provide our communities with assistance in protecting our most critical lands.